

## HUMAN SERVICES DEPARTMENT[441]

### Notice of Intended Action

**Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”**

**Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.**

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services proposes to amend Chapter 77, “Conditions of Participation for Providers of Medical and Remedial Care,” Chapter 78, “Amount, Duration and Scope of Medical and Remedial Services,” Chapter 79, “Other Policies Relating to Providers of Medical and Remedial Care,” Chapter 82, “Intermediate Care Facilities for the Mentally Retarded,” Chapter 83, “Medicaid Waiver Services,” and Chapter 88, “Managed Health Care Providers,” Iowa Administrative Code.

These amendments implement directives included in 2012 Iowa Acts, Senate File 2336, enacted by the Eighty-Fourth General Assembly, that affect payment for Medicaid habilitation services; home health services; services provided under the elderly, intellectual disability, or brain injury waiver; targeted case management; and services provided in a psychiatric medical institution for children or a community-based intermediate care facility for persons with an intellectual disability (ICF/ID).

Items 1 through 10, 13, 14, 15, and 19 through 25 reflect that 2012 Iowa Acts, Senate File 2336, section 58, removes statutory requirements for county governments to pay the nonfederal share of medical assistance costs for the following services provided in the fiscal year beginning July 1, 2012:

- Habilitation.
- Targeted case management.
- Services provided under the home- and community-based services intellectual disability waiver or brain injury waiver.
- Care in a community-based intermediate care facility for persons with an intellectual disability (ICF/ID).

With the elimination of county funding for these services, the county role in provider certification, ICF/ID placement, and determination of need for waiver services is also eliminated. These amendments remove requirements on waiver applicants and county governments and streamline eligibility determination.

Items 11 and 16 increase the cap on home- and community-based services elderly waiver costs from \$1,117 to \$1,300 for the nursing facility level of care as mandated by 2012 Iowa Acts, Senate File 2336, section 37. This change allows waiver members to receive additional services.

Item 12 increases home health agency reimbursement rates by 2 percent effective July 1, 2012, as mandated by 2012 Iowa Acts, Senate File 2336, section 33. The basis of reimbursement for private duty nursing and personal care services is corrected to read “Interim fee schedule with retrospective cost-related settlement.” Increased income will help providers meet the cost of providing services.

The final item of these amendments adds psychiatric medical institutions for children (PMICs) as covered mental health services under the Iowa Plan for Behavioral Health, as directed by 2012 Iowa Acts, Senate File 2336, section 12. The transition of PMICs to the Iowa Plan is a benefit to Medicaid members because it will provide increased integration of mental health services for children with mental health conditions. Inclusion of PMICs in the managed care plan will provide increased flexibility in payment methods and services and options for PMIC care. The transition will enhance discharge planning for children leaving PMICs to receive community-based services also managed by the Iowa Plan. This change will increase the opportunities for coordination of care and services and the permanency of community placement for children. This change was recommended by the workgroup appointed pursuant to 2011 Iowa Acts, chapter 121.

These amendments were also Adopted and Filed Emergency and are published herein as **ARC 0191C**. The purpose of this Notice is to solicit comment on that submission, the subject matter of which is incorporated by reference.

Any interested person may make written comments on the proposed amendments on or before July 31, 2012. Comments should be directed to Harry Rossander, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by E-mail to [policyanalysis@dhs.state.ia.us](mailto:policyanalysis@dhs.state.ia.us).

These amendments do not provide for waivers in specified situations because the legislation does not specifically allow for waivers. Requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A,217).

There is an impact on private-sector jobs. The increase in reimbursement to home health agencies and the increase in the level-of-care dollar cap for the elderly waiver may result in increased wages for providers and a possible increase in jobs.

These amendments are intended to implement Iowa Code section 249A.4 and 2012 Iowa Acts, Senate File 2336.